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As the economy edges toward recovery, the best job-creation policies Congress can implement may well focus on allowing U.S. ingenuity to flourish.

As New Democrat Coalition leaders, we believe this is a top priority to build on our nation's core strengths of innovation and entrepreneurship.

During the downturns of the early 1990s and 2000s, innovative small businesses led the way out of recession. More than half the companies in today's Fortune 500 - including Microsoft, Federal Express and Intel - were born as small businesses in the depths of past recessions or bear markets.

Now, the federal government cannot mandate innovation. This is like telling an artist to make sure the next painting is a masterpiece.

The government, however, can lay a foundation and set conditions that encourage innovators, inventors and entrepreneurs to thrive. Now, more than ever, is the time for Congress to help spur our innovation economy and bring our national economy back to an era of sustainable growth.

We can do this in three ways:

### **Empowering innovators and entrepreneurs**

Entrepreneurs need access to loans, capital and technology to make their ideas a reality. The

financial crisis, however, froze credit and stopped the launch of new ventures. We can spur access to capital by expanding existing small-business loan programs, incentivizing startups and encouraging lending partnerships with states.

Additionally, from students to midcareer professionals and workers, we need to do more to prepare our work force for the jobs of the future.

One way is through "lifelong learning accounts" that could enable workers to continue education over a lifetime. We can also boost the competitiveness of workers and the innovators of tomorrow with additional support for Science, Technology, Engineering and Math Education programs that were included in the America COMPETES Reauthorization Act, which passed the House last month.

### **Fostering a culture of innovation**

We have seen the struggles innovators and entrepreneurs face as they seek to turn their research and development into products for the market. This is the big reason we have not seen the job growth in technology, science and innovation that we expected in the early 2000s.

Americans have the ideas and the drive to create. What is lacking are the built-in incentives for innovation, the certainty that ideas can be protected and a timely path from idea to commercialization.

That is why we support boosting tax credits that would encourage research and development as well as bonus tax credits for U.S. companies that research and manufacture here in America. We also support policies that would help eliminate the patent backlog, while ensuring ideas are protected. In 2009, even as U.S. inventors were awarded almost 94,000 patents, the patent backlog grew to more than 700,000.

When patents are approved, businesses can expand their employee base to make and sell new products. Implementing systemic changes to reduce the patent backlog would drive strong economic growth and job creation.

## **Helping companies and workers compete and win**

Finally, America needs to do more to help entrepreneurs succeed in a global economy. No one is insulated from the winds of international competition. This means we must create a tax and regulatory structure that supports strong businesses and new entrepreneurs.

We support setting up an Energy Department program to focus on developing clean energy resources, creating a loan program to foster U.S. jobs and improving export financing.

These are a few of the ideas we have developed and endorsed as part of the New Democrat Coalition.

Our agenda to advance innovation and entrepreneurship is intended as a guide for those who want to ensure a robust small-business-led recovery.

From Thomas Edison to Steve Jobs, American innovators have defined and revolutionized the national - and global - economy.

American ingenuity put our nation on top, and American ingenuity will be what keeps it there. But with China and India eager for economic dominance, we can no longer be sure that the world's next Bill Gates will be an American.

That's why we need to invest now - in American people, American ideas and helping American small businesses compete and win in a dynamic global economy.

*Rep. Joseph Crowley (D-N.Y.) is chairman of the New Democratic Coalition. Reps. Melissa Bean (D-Ill.), Ron Kind (D-Wis.), Allyson Schwartz (D-Pa.) and Adam Smith (D-Wash.) serve as vice chairmen.*

[Click here](#) to view the New Democrats' Innovation and Entrepreneurship Agenda